

## § 1.35-2

## 26 CFR Ch. I (4-1-15 Edition)

(c) The application of section 35 may be illustrated by the following example:

*Example.* In his taxable year, 1955, A received \$4,500 of partially tax-exempt interest. A's taxable income is \$4,000 upon which the tax prior to any credits against tax is \$840. His foreign tax credit under section 33 is \$610, and his dividends received credit under section 34 is \$120. A's credit under section 35 for partially tax-exempt interest is \$110, determined as follows:

<i>Section 35(a)</i>	
Partially tax-exempt interest .....	\$4,500
Credit computed under section 35(a); 3 percent of \$4,500 .....	135
<i>Section 35(b)(1)</i>	
Tax imposed by chapter 1 .....	840
Less:	
Credit allowed under section 33 .....	\$610
Credit allowed under section 34 .....	120
	<hr/>
	\$730
Limitation on credit under section 35(b)(1) .....	110
<i>Section 35(b)(2)</i>	
Taxable income .....	4,000
Limitation on credit under section 35(b)(2); 3 percent of \$4,000 .....	120

Since of the three figures (\$135, \$110, and \$120), the lesser is \$110, A's credit under section 35 is limited to \$110.

### § 1.35-2 Taxpayers not entitled to credit.

For taxable years beginning after December 31, 1957, no credit shall be allowed under section 35 to a nonresident alien individual with respect to whom a tax is imposed for such taxable year under section 871(a).

### § 1.36B-0 Table of contents.

This section lists the captions contained in §§ 1.36B-1 through 1.36B-5.

#### *§ 1.36B-1 Premium tax credit definitions.*

- (a) In general.
- (b) Affordable Care Act.
- (c) Qualified health plan.
- (d) Family and family size.
- (e) Household income.
- (1) In general.
- (2) Modified adjusted gross income.
- (f) Dependent.
- (g) Lawfully present.
- (h) Federal poverty line.
- (i) [Reserved]
- (j) Advance credit payment.
- (k) Exchange.
- (l) Self-only coverage.
- (m) Family coverage.
- (n) Rating area.
- (o) Effective/applicability date.

#### *§ 1.36B-2 Eligibility for premium tax credit.*

- (a) In general.
- (b) Applicable taxpayer.
- (1) In general.
- (2) Married taxpayers must file joint return.
- (3) Dependents.
- (4) Individuals not lawfully present or incarcerated.
- (5) Individuals lawfully present.
- (6) Special rule for taxpayers with household income below 100 percent of the Federal poverty line for the taxable year.
- (7) Computation of premium assistance amounts for taxpayers with household income below 100 percent of the Federal poverty line.
- (c) Minimum essential coverage.
- (1) In general.
- (2) Government-sponsored minimum essential coverage.
- (i) In general.
- (ii) Obligation to complete administrative requirements to obtain coverage.
- (iii) Special rule for coverage for veterans and other individuals under chapter 17 or 18 of title 38, U.S.C.
- (iv) Retroactive effect of eligibility determination.
- (v) Determination of Medicaid or Children's Health Insurance Program (CHIP) ineligibility.
- (vi) Examples.
- (3) Employer-sponsored minimum essential coverage.
- (i) In general.
- (ii) Plan year.
- (iii) Eligibility for months during a plan year.
- (A) Failure to enroll in plan.
- (B) Waiting periods.
- (C) Example.
- (iv) Continuation coverage.
- (v) Affordable coverage.
- (A) In general.
- (1) Affordability for employee.
- (2) Affordability for related individual.
- (3) Employee safe harbor.
- (4) Wellness incentives and employer contributions to health reimbursement arrangements.
- (B) Affordability for part-year period.
- (C) Required contribution percentage.
- (D) Examples.
- (vi) Minimum value.
- (vii) Enrollment in eligible employer-sponsored plan.
- (A) In general.
- (B) Automatic enrollment.
- (C) Examples.
- (4) Related individual not claimed as a personal exemption deduction.

#### *§ 1.36B-3 Computing the premium assistance credit amount.*

- (a) In general.
- (b) Definitions.